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Attorneys for Intervenor, National Credit Union Administration
As Conservator For Western Corporate Federal Credit Union .

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA

1ST VALLEY CREDIT UNION; CASCADE
FEDERAL CREDIT UNION;
GLENDALE AREA SCHOOLS FEDERAL
CREDIT UNION; KAIPERM NORTHWEST
FEDERAL CREDIT UNION; NORTHWEST
PLUS CREDIT UNION; STAMFORD
FEDERAL CREDIT UNION; and TULARE
COUNTY FEDERAL CREDIT UNION,

Plaintiffs,

v.

DONNA BLAND, ROBERT BURRELL,
JEREMY CALVA, WILLIAM CHENEY,
LAURA CLOHERTY, GORDON DAMES,
ADAM DENBO, DIANA R. DYKSTRA,
JEFF HAMILTON, ROBERT H. HARVEY,
JR., JAMES HAYES, WAYNE HOPE,
DWIGHT JOHNSTON, JAMES P. JORDAN,
TIMOTHY KRAMER, ROBIN J. LENTZ,
SUSANNE LONGSON, JOHN M. MERLO,
WARREN NAKAMURA, BRIAN OSBERG,
DAVID ROUGHTON, TIMOTHY SIDLEY,
ROBERT SIRAVO, DAVID TRINDER,
DARREN WILLIAMS, RISKSPAN INC.,
and DOES 1 through 100, inclusive.

Defendants

and

NATIONAL CREDIT UNION
ADMINISTRATION AS CONSERVATOR
FOR WESTERN CORPORATE FEDERAL
CREDIT UNION,
Intervenor.

Case No.: CV10-01597 GW (MANx)

**DECLARATION OF
MICHAEL H. BIERMAN IN
SUPPORT OF REPLY OF THE
NATIONAL CREDIT UNION
ADMINISTRATION AS
CONSERVATOR FOR
WESTERN CORPORATE
FEDERAL CREDIT UNION IN
SUPPORT OF MOTION TO
SUBSTITUTE**

Date : July 15, 2010

Time : 8:30 a.m.

Crtrm: 10

1 I, MICHAEL H. BIERMAN, declare:

2 1. I am an attorney at law duly licensed to practice before the courts of the
3 State of California and am a member of the bar of this Court. I am a partner in the
4 firm of Luce, Forward, Hamilton & Scripps LLP, attorneys of record for Intervenor,
5 the National Credit Union Administration as Conservator for Western Corporate
6 Federal Credit Union. Unless indicated otherwise, I have personal knowledge of the
7 matter set forth in this declaration, and if called upon to testify, I could and would
8 testify competently to these matters under oath.

9 2. Both before and after the NCUA moved to intervene in this action, I
10 had several communications with Scott Kamber, the attorney for the plaintiffs in this
11 matter with regard to the facts and allegations in this case. I had asked Mr. Kamber
12 to provide to me the basis for plaintiffs' individual claims and why the claims
13 asserted in this lawsuit did not belong to the NCUA as Conservator for WesCorp.
14 I also invited Mr. Kamber to assist the NCUA in its investigation of WesCorp by
15 sharing the relevant information he and his clients had developed. I never received
16 any substantive response from Mr. Kamber.

17 3. On or about April 29, 2010, my colleague, Michael E. Pappas spoke
18 with David C. Parisi, another counsel of record for the plaintiffs in this matter, to
19 discuss the motion to substitute. Mr. Pappas' conversations are confirmed in a letter
20 dated April 30, 2010, a true and correct copy of which is attached hereto as
21 Exhibit 1.

22 4. Attached hereto as Exhibit 2 is a true and correct copy of an e-mail
23 from Mr. Pappas to Mr. Kamber and Mr. Parisi requesting factual information
24 regarding what claims the plaintiffs had against the individual defendants. Neither
25 Mr. Pappas nor I received any substantive response to his request.

1 I declare under penalty of perjury under the laws of the United States of
2 America that the foregoing is true and correct and that this declaration was executed
3 on this 28th day of June, 2010.

4
5 /s/Michael H. Bierman

6 MICHAEL H. BIERMAN
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EXHIBIT 1

LUCE FORWARD

ATTORNEYS AT LAW • FOUNDED 1873

LUCE, FORWARD, HAMILTON & SCRIPPS LLP

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April 30, 2010

38359-1

David C. Parisi, Esq.
PARISI & HAVENS LLP
15233 Valleyheart Drive
Sherman Oaks, CA 91403

Re: 1st Valley Credit Union v. Donna Bland, et al.,
U.S.D.C Case No. CV10-01597 GW (MANx)

Dear David:

This letter confirms our telephone conference on Thursday, April 29, 2010, where we met and conferred on the proposed motion of the National Credit Union Administration as Conservator for Western Corporate Federal Credit Union to substitute itself as the real party in interest in the above-referenced action. As we discussed, it is the Conservator's view that under 12 U.S.C. § 1787(b)(2)(A), the Conservator succeeded to all of the claims asserted in this action, and therefore the Conservator is the real party in interest and not the current plaintiffs.

We discussed whether the current plaintiffs may have other claims that are not subject to the aforementioned statute. As I said in our conversation, I do not know whether or not such claims exist or what types of claims conceivably may not be encompassed by the statute. While the plaintiffs could attempt to amend the complaint to state such claims, if they exist, no amendment has yet been proposed.

You stated that Scott Kamber may want to discuss this matter further with us. Please advise him that we are available to discuss the matter, however, we will consider the telephone conversation that we had today the required meet and confer under Local Rule 7-3 for timing purposes on the motion.

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LUCE, FORWARD, HAMILTON & SCRIPPS LLP
David C. Parisi, Esq.

April 30, 2010


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If you have any questions, please do not hesitate to contact me. I look forward to hearing from Scott if he would like to discuss these matters further.

Very truly yours,

LUCE, FORWARD, HAMILTON & SCRIPPS LLP

By



Michael E. Pappas

MEP:tlw

cc: Scott A. Kamber, Esq.
Deborah Kravitz, Esq.
Michael H. Bierman, Esq.

201053518.1

EXHIBIT 2

Pappas, Michael

From: Pappas, Michael
Sent: Friday, May 28, 2010 1:14 PM
To: skamber@kamberlaw.com; 'dparisi@parisihavens.com'
Cc: Bierman, Michael
Subject: 1st Valley v. Bland

Dear Scott,

In follow up to prior communications that you have had with Michael, we again ask you to share with us what information you have that supports your clients' claims against the various defendants. Particularly with respect to RiskSpan, which provided valuation services in 2007 and 2008, we are unclear as to the theory of liability or facts that would support liability. Most of their services appear to be directed to valuing subprime and CDO portfolios after the fact, i.e., after they were purchased. Also, with respect to Donna Bland, it does not seem to us that she should be a defendant. She was never a Board member and was not appointed to the Supervisory Committee until May 19, 2008, well after the offending securities had been purchased.

Your prompt response would be much appreciated.

Best regards,
Mike

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This e-mail is sent by a law firm and may contain information that is privileged or confidential. If you are not the intended recipient, please delete the e-mail and any attachments without reading, printing, copying or forwarding it, and please notify us.

6/24/2010

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